

Executive Registry
81-3641/1

5 MAR 1981

The Honorable Malcolm Baldrige
The Secretary of Commerce
14th and Constitution Avenue
Washington, D. C. 20230

Dear Malcolm:

In a letter to Dr. Jordan Baruch, former Assistant Secretary for Productivity, Technology and Innovation, Department of Commerce, dated 4 November 1980, this Agency's former Deputy Director for Administration, Mr. Don Wortman, requested that the Department delegate to the Director of Central Intelligence (DCI) independent authority to grant, for this Agency, waivers of the provisions of Federal Information Processing Standards (FIPS) promulgated by the Department. The letter set forth various security concerns which are raised by the current FIPS waiver procedures and explained the delegation of procurement authority which, on account of similar concerns, the Agency has obtained from the General Services Administration. We have received no formal response to this request and because of the importance I attach to it, I would like to take this opportunity to reiterate our concerns and the straightforward procedure that I believe will alleviate them.

As you know, requests for waivers from FIPS, depending on the standard, either require coordination in advance with the Department, or your approval. In order to support a waiver request, extensive documentation is typically required by the Department. For example, one group of FIPS (FIPS 60-63) explicitly describe what must be included in a waiver request: "1) a description of the existing or planned ADP system for which the waiver is being requested, 2) a description of the system configuration, identifying those items for which the waiver is being requested, and including a description of planned expansion of the system configuration at any time during its life cycle, and 3) a justification for the waiver, including a description and discussion of the major adverse economic or operational impact that would result through conformance to this standard as compared to the alternative for which the waiver is requested."

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This waiver request procedure is cause for considerable security concern to senior CIA management. Under the statutory provisions of the National Security Act of 1947, as amended, the DCI is charged with the responsibility for protecting intelligence sources and methods. Relating this to current and anticipated acquisitions of automatic data processing equipment (ADPE), it is our considered judgment that disclosure through the waiver process of the Agency's capabilities and location of its resources would not only adversely affect the proper discharge of this responsibility but would also, in some cases, represent a grave threat to national security. Our ADPE, whether general purpose or unique to our requirements, is utilized for extremely sensitive intelligence information processing, communications, and real-time intelligence-operation requirements. The type and location of equipment represent, for foreign intelligence agencies, prime targets in terms of operational utilization, equipment capabilities, or the readability of signal emanations. Of equal significance is the fact that, in certain instances, identification with the Agency of specific equipment or sites of operations could be extremely embarrassing to the United States or to friendly foreign governments.

It is my firm opinion that a delegation of independent PIPS waiver authority to the Director of Central Intelligence with appropriate redelegation authority would best protect the national security interests involved in the acquisition and use of ADPE by the Central Intelligence Agency for intelligence information processing, communications and intelligence operational applications. I therefore request that the Secretary of Commerce delegate to the DCI independent authority to grant, for this Agency, waivers of the provisions of Federal Information Processing Standards promulgated by the Department of Commerce.

Your favorable consideration of this request will be sincerely appreciated. I would be pleased to make available the appropriate members of my staff to develop in conjunction with your representatives a suitable delegation of waiver authority. My Director of Data Processing, Mr. Bruce T. Johnson, is available to answer any technical questions you may have. He can be reached at [REDACTED]

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Yours,

/s/ William J. Casey
William J. Casey

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Approved For Release 2004/05/05 : CIA-RDP84-00933R000400140044-7

Approved For Release 2004/05/05 : CIA-RDP84-00933R000400140044-7